



DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

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Statement of MIKE MCCARTNEY Director

Department of Business, Economic Development, and Tourism before the

HOUSE COMMITTEE ON FINANCE

Friday, February 22, 2019 11:00 AM State Capitol, Conference Room #308 In consideration of HB 1586 HD1

RELATING TO THE STRUCTURE OF GOVERNMENT.

Chair Luke, Vice Chair Cullen, and Members of the Committee. The Department of Business, Economic Development, and Tourism (DBEDT) **offers comments** on HB1586 HD1, which transfers the Energy Office; the program relating to climate adaptation planning in the Office of Planning; and the Department of Health's Office of Environmental Quality Control and the Environmental Council into a new Department of Environment.

It is the Legislature and Administration's responsibility to determine policy and the appropriate structure of government to implement that policy. DBEDT notes that creating a new department takes careful planning, and consideration of a broader range of programs that could usefully be included. DBEDT believes more discussion is required with the other agencies as well as any other stakeholders that would be affected by this consolidation.

Thank you for the opportunity to testify.

OFFICE OF PLANNING STATE OF HAWAII

DIRECTOR OFFICE OF PLANNING

235 South Beretania Street, 6th Floor, Honolulu, Hawaii 96813 Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804

Telephone: (808) 587-2846 Fax: (808) 587-2824 Web: http://planning.hawaii.gov/

Statement of LEO R. ASUNCION

Planning Program Administrator, Office of Planning before the

HOUSE COMMITTEE ON FINANCE

Friday, February 22, 2019 11:00 AM State Capitol, Conference Room 308

in consideration of
HB 1586, HD1
RELATING TO THE STRUCTURE OF GOVERNMENT.

Chair Luke, Vice Chair Cullen, and Members of the House Committee on Finance.

The Office of Planning (OP) respectfully offers comments on HB 1568, HD1 which establishes and transfers to a Department of Environment certain agencies and programs administered by the Department of Health and the Department of Business, Economic Development, and Tourism.

The OP has concerns with the intent of HB 1568, HD1, as it duplicates on-going functions of the Office of Planning established under chapter 225M, Hawaii Revised Statutes (HRS).

1. Page 8, lines 12-19, of this measure requires a proposed Office of Climate Change to "engage in the following activities: (1) state comprehensive planning and program coordination. Formulating and articulating comprehensive statewide goals, objectives, policies, and priorities, and coordinating their implementation in accordance with section 226-108 and through the statewide planning system established in part II of chapter 226." We note that the OP is authorized "to assist the Governor and the Director of Business, Economic Development, and Tourism in maintaining an overall framework to guide the development of the State through a continuous process of comprehensive, long-range, and strategic planning to meet the physical, economic, and social needs of Hawaii's people, and provide for the wise use of Hawaii's resources in coordinated, efficient, and economical manner, including the conservation of those natural, environmental, recreational, scenic, historic, and other limited and irreplaceable resources that are required for future generations." See HRS § 225M-2. The Office of Planning is responsible and accountable to successfully carry out statewide planning programs, policies, and priorities; improves the efficiency and effectiveness of the operations of the executive branch; and ensure comprehensive planning and coordination to enhance the quality of life of the people of Hawaii.

- 2. **Page 16, lines 9-13** OP recommends the deletion of the added language as it incorrectly states that the State Energy Office is administered by the Office of Planning.
- 3. **Page 37, lines 6-7** OP recommends the deletion of the added language.
- 4. **Pages 45, line 21** OP recommends the deletion of the added language. The GHGSTF has been established within the OP, and OP is currently supporting and administering the GHGSTF and entering into agreements for projects to meet the Greenhouse Gas Sequestration Task Force mandates. If this measure should pass with the proposed language, it is unclear as to whether the status of said projects would be jeopardized.
- 5. **Page 48, line 10-13** OP recommends the deletion of added language which replaces the Department of Health on the task force. The Department of Health is a vital member of the GHGSTF and contributes in its role for tracking Agriculture, Forestry and Other Land Use (AFOLU) greenhouse gas emissions.
- 6. **Pages 50-51** OP recommends the deletion of the added language which proposes to amend HRS § 225P-6, by tasking a proposed Office of Climate Change to investigate and establish a Carbon Offset Program. OP has recently issued the Notice to Award and is in the process of executing a contract for consultant services to satisfy the laws set forth in HRS § 225P-6.

Thank you for the opportunity to testify on this measure.

DAVID Y. IGE GOVERNOR OF HAWAII





STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES

POST OFFICE BOX 621 HONOLULU, HAWAII 96809 SUZANNE D. CASE
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

ROBERT K. MASUDA FIRST DEPUTY

M. KALEO MANUEL

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

Testimony of SUZANNE D. CASE Chairperson

Before the House Committee on FINANCE

Friday, February 22, 2019 11: 00am State Capitol, Conference Room 308

In consideration of HOUSE BILL 1586, HOUSE DRAFT 1 RELATING TO THE STRUCTURE OF GOVERNMENT

House Bill 1586, House Draft 1 proposes to establish and transfer to a Department of the Environment certain agencies and programs administered by the Department of Health (the Office of Environmental Quality Control and the Environmental Council) and the Department of Business, Economic Development, and Tourism (the Energy Office and programs relating to sustainability and climate adaption planning in the Office of Planning). **The Department of Land and Natural Resources (Department) acknowledges the intent of this measure and offers the following comments.**

In 2017, the Governor signed legislation into law as Act 32 establishing the Hawaii Climate Change Mitigation and Adaptation Commission (Climate Commission). Act 32, Session Laws of Hawaii (SLH) also established a Climate Change Mitigation and Adaptation Coordinator (Climate Coordinator) position. The Department has been administering this state level climate change initiative for nearly two years and has accomplished a great deal including the adoption of a Statewide Sea Level Rise Vulnerability and Adaptation Report. The Department, under the direction of the Climate Commission, is now pursuing actions to implement sea level rise adaptation measures.

We would like to note that Department has been the main conduit for climate change response (e.g., sea level rise adaptation) and will continue to be as global warming intensifies. The proposed measure would be stronger if it were to specify how the Department of the Environment plans to interface with the Climate Commission.

Thank you for the opportunity to comment on this measure.



Chair Luke Vice Chair Cullen House Committee on Finance

Friday, February 22, 2019 11:00 AM

TESTIMONY IN STRONG SUPPORT OF HB1586 HD1 RELATING TO THE STRUCTURE OF GOVERNMENT

Aloha Chair Luke, Vice Chair Cullen, Members of the House Committee on Finance,

My name is Jun Shin. I serve as the Environmental Justice Action Committee Chair for the Young Progressives Demanding Action (YPDA), a member of the Common Good Coalition. YPDA represents about 1,000 Hawai'i residents, mostly of Honolulu who seek to build a Hawai'i that is just, equitable, and sustainable. YPDA is in **strong support of HB1586 HD1 relating to the structure of government**.

YPDA strongly supports the creation of a Department of Environment within the executive branch. In terms of efficiency, it would bring together some environmental/sustainable agencies and programs currently administered under different departments, to a department dedicated to the environment that can focus on continuing to develop and expand those agencies and programs while helping to relieve the burden of the departments. YPDA and our community supporters have been supporters of similar efforts on the city and county level in the form of the Honolulu Office of Climate Change, Sustainability, and Resiliency and have participated in their community Climate Action Plan Public Meeting Series, as well as testified alongside them at city council hearings.

We hope that the Department of Environment continues with community outreach, while being a strong advocate for the environment. Now, more than ever with the imminent threat of climate change and the need for climate change mitigation, especially as we live in an island society, we need public institutions with resources dedicated to creating a sustainable future. We look forward to working with the legislature to pass this measure into law, and working with the future Department of the Environment to preserve the Hawai'i that we love for future generations to come. YPDA **strongly supports HB1586 HD1 and urges you to pass it out of your committee**.

Thank you for the opportunity to testify,

Jun Shin
Environmental Justice Action Committee Chair
Young Progressives Demanding Action (YPDA)
1561 Kanunu St.

Cell: 808-255-6663

Email: junshinbusiness729@gmail.com









HOUSE COMMITTEE ON FINANCE

February 22, 2019, 11:00 A.M.
Room 308
(Testimony is 1 page long)

TESTIMONY IN SUPPORT OF HB 1586 HD1

Aloha Chair Luke, Vice Chair Cullen, and members of the Committee:

Blue Planet Foundation **supports** HB 1586 HD1, which establishes the Department of Environment and transfers certain programs currently administered by the Department of Health and the Department of Business, Economic Development and Tourism.

This bill would transfer to a newly formed Department of Environment the functions and authority currently exercised by the Office of Environmental Quality Control, the Environmental Council, and the State Energy Office. It would also establish an Office of Clean Energy to oversee Hawaii's transition to a clean energy economy.

With the urgency of climate change as a looming threat, a state government department focused on clean energy and climate concerns makes sense. The energy landscape has shifted dramatically since many of the government agencies listed above were formed. As one example, since the current State Energy Office was established in 1974, Hawaii has committed to 100% renewable electricity and net carbon neutrality by 2045, added more than 8,000 electric vehicles to our roads, and has seen incredible growth in distributed energy resources—now over 80,000 homes in the state have rooftop solar. This shifting landscape means that our transition to clean energy warrants more focus, direction, and resources.

Energy decisions affect nearly every aspect of the state's economy and residents' lives. House Bill 1586 HD1 can be a vehicle to ensure that state government priorities, processes, and funding best reflect the current energy landscape and are aimed at setting Hawaii on the fastest path toward meeting its clean energy and climate targets.

Blue Planet Foundation would welcome the opportunity to work with the Committee and stakeholders to develop a robust energy authority for Hawaii that is fully supported with clear direction and adequate resources.

Thank you for the opportunity to testify.

HOUSE COMMITTEE ON FINANCE

February 22, 2019 11:00 AM Room 308

In SUPPORT of HB 1586 HD 1: Relating to the Environment

Aloha Chair Luke, Vice Chair Cullen, and committee members,

On behalf of our 20,000 members and supporters, the Sierra Club of Hawai'i **strongly supports HB 1586 HD 1**, which establishes and transfers to a Department of Environment certain agencies and programs administered by the Department of Health (the Office of Environmental Quality Control and the Environmental Council) and the Department of Business, Economic Development, and Tourism (the Energy Office and programs relating to climate adaptation planning in the Office of Planning) on July 1, 2021.

The Sierra Club supports this initiative to create a new "Department of Environment" for the state of Hawai'i. While we understand the Legislature might have reservations to expanding government, we believe that it would be beneficial to combine the existing state agencies dealing with environmental issues into a new agency that is streamlined, transparent, and action-oriented.

We appreciate that a core focus of this new Department would be to establish an Office of Climate Change. We believe climate change is the most pressing environmental issue facing our state and it will have drastic, disruptive consequences that will impact every resident of Hawai'i, especially our most vulnerable children, elderly, low-income, and minority communities. Climate change will also have huge financial impacts to our budget and our economy, making adaptation and mitigation critical issues to focus on today.

In 2016, Oʻahu voters passed a Charter Amendment to establish a Honolulu Office of Climate Change, Sustainability, and Resiliency. In the past two years, this new office has made tremendous progress toward advancing a variety of environmental goals (projects like a Resiliency Strategy, Climate Action Plan, and Greenhouse Gas Inventory), while effectively engaging stakeholders and the community via island-wide meetings, presentations, and mass communications. Recognizing the success of this office, there were discussions at the Maui County Council in 2018 to consider a similar charter amendment for Maui County voters. Through the creation of a State Office of Environment, Hawaiʻi can have even more of an impact and continue our leadership in climate change and sustainability efforts.

We also support the transfer of the Energy Office from DBEDT to the proposed Office of Environment. A recent audit of the Hawai'i State Energy Office found that our current Energy Office's "specific contributions to advancing clean energy initiatives are unclear...and that the Energy Office needs to better define its mission, role, and priorities within the State's energy independence effort." An Department of Environment could reduce the burden on DBEDT, help us meet our clean energy targets, accelerate our transition away from fossil fuels, and better facilitate the State's program for energy planning and conservation.

In summary, the formation of a Department of Environment will help to facilitate discussion about the impacts of climate change, breakdown departmental silos, and initiate sustainability and clean energy projects that will encourage conservation jobs, stimulate our economy, and protect our shared resources for future generations.

Thank you very much for this opportunity to provide testimony in **support of HB 1586 HD 1**.

Mahalo,

godi frolinoski

Jodi Malinoski, Policy Advocate

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¹ http://files.hawaii.gov/auditor/Reports/2018/18-01.pdf

<u>HB-1586-HD-1</u> Submitted on: 2/21/2019 11:17:33 AM

Testimony for FIN on 2/22/2019 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	O`ahu County Committee on Legislative Priorities of the Democratic Party of Hawai`i	Support	No

Comments:

HB-1586-HD-1

Submitted on: 2/20/2019 8:49:21 PM

Testimony for FIN on 2/22/2019 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Benton Kealii Pang, Ph.D.	Individual	Support	No

Comments:

I support HB1586 HD1. This bill establishes and transfers to a Department of Environment certain agencies and programs administered by the Department of Health (the Office of Environmental Quality Control and the Environmental Council) and the Department of Business, Economic Development, and Tourism (the Energy Office and programs relating to climate adaptation planning in the Office of Planning) on July 1, 2021.

I support Hb1586 HD1 becuase it moves Hawai'i towards a greener sustainable future.

From: Laura Ramirez <noreply@jotform.com>
Sent: Wednesday, February 20, 2019 7:13 PM

To: FINtestimony

Subject: Re: Testimony in Support of HB1586 - Laura Ramirez

Testimony in Suppor	t of HB1586
Name	Laura Ramirez
Email	lauraramirez87@hotmail.com
Subject	Testimony in SUPPORT of HB1586
Testimony	Aloha Chair Luke, members of the committee,
	I support the creation of a Department of Environment and believe it would be a great addition to the state government. With O'ahu voters in 2016 overwhelmingly supporting similar efforts to create the City and County of Honolulu Office of Climate Change, Sustainability and Resiliency, we can see that the public realizes the need to incorporate sustainability into public policy in the face of climate change, especially due to our place as an island society in the Pacific. A department with resources dedicated to the environment will allow for us to do so, helping to preserve the Hawai'i that we all love for generations to come. Please support this measure.

From: Lurline Bettencourt <noreply@jotform.com>
Sent: Wednesday, February 20, 2019 7:13 PM

To: FINtestimony

Subject: Re: Testimony in Support of HB1586 - Lurline Bettencourt

Testimony in Support of HB1586		
Name	Lurline Bettencourt	
Email	lurline94510@yahoo.com	
Subject	Testimony in SUPPORT of HB1586	
Testimony	Aloha Chair Luke, members of the committee,	
	I support the creation of a Department of Environment and believe it would be a great addition to the state government. With O'ahu voters in 2016 overwhelmingly supporting similar efforts to create the City and County of Honolulu Office of Climate Change, Sustainability and Resiliency, we can see that the public realizes the need to incorporate sustainability into public policy in the face of climate change, especially due to our place as an island society in the Pacific. A department with resources dedicated to the environment will allow for us to do so, helping to preserve the Hawai'i that we all love for generations to come. Please support this measure.	

From: William Caron <noreply@jotform.com>
Sent: Wednesday, February 20, 2019 6:40 PM

To: FINtestimony

Subject: Re: Testimony in Support of HB1586 - William Caron

Testimony in Suppor	t of HB1586
Name	William Caron
Email	willcaronforhawaii@gmail.com
Subject	Testimony in SUPPORT of HB1586
Testimony	Aloha Chair Luke, members of the committee,
	I support the creation of a Department of Environment and believe it would be a great addition to the state government. With O'ahu voters in 2016 overwhelmingly supporting similar efforts to create the City and County of Honolulu Office of Climate Change, Sustainability and Resiliency, we can see that the public realizes the need to incorporate sustainability into public policy in the face of climate change, especially due to our place as an island society in the Pacific. A department with resources dedicated to the environment will allow for us to do so, helping to preserve the Hawai'i that we all love for generations to come. Please support this measure.

From: noel Kent Kent <noreply@jotform.com>
Sent: Wednesday, February 20, 2019 6:17 PM

To: FINtestimony

Subject: Re: Testimony in Support of HB1586 - noel Kent Kent

Testimony in Suppo	rt of HB1586
Name	noel Kent Kent
Email	noelk@hawaii.edu
Subject	Testimony in SUPPORT of HB1586
Testimony	Aloha Chair Luke, members of the committee,
	We need an office dedicated to protecting the environment and dedicated to educating our public about the huge threats to Hawai'i presented by climate change. Funding this office gives us means we do not now have to give these islands in livable form to our children.
	Thank you for the opportunity to testify.

From: Nathan Yuen Yuen <noreply@jotform.com>
Sent: Thursday, February 21, 2019 7:29 AM

To: FINtestimony

Subject: Re: Testimony in Support of HB1586 - Nathan Yuen Yuen

Testimony in Suppor	t of HB1586
Name	Nathan Yuen Yuen
Email	808nateyuen@gmail.com
Subject	Testimony in SUPPORT of HB1586
Testimony	Aloha Chair Luke, members of the committee,
	I support the creation of a Department of Environment and believe it would be a great addition to the state government. With O'ahu voters in 2016 overwhelmingly supporting similar efforts to create the City and County of Honolulu Office of Climate Change, Sustainability and Resiliency, we can see that the public realizes the need to incorporate sustainability into public policy in the face of climate change, especially due to our place as an island society in the Pacific. A department with resources dedicated to the environment will allow for us to do so, helping to preserve the Hawai'i that we all love for generations to come. Please support this measure.

From: Randy Ching <noreply@jotform.com>
Sent: Thursday, February 21, 2019 6:50 AM

To: FINtestimony

Subject: Re: Testimony in Support of HB1586 - Randy Ching

Testimony in Suppor	t of HB1586
Name	Randy Ching
Email	makikirandy@yahoo.com
Subject	Testimony in SUPPORT of HB1586
Testimony	Chair Luke, Vice Chair Cullen and members of the committee,
	I support HB1586 the creation of a Department of Environment and believe it would be a necessary addition to the state government.
	Oahu voters in 2016 overwhelmingly supported similar efforts to create the City and County of Honolulu Resiliency Office. The public realizes the need to incorporate sustainability and resiliency as we face the effects of climate change.
	There is currently no state department which has as its mission to protect the environment. DLNR, DOH and DBEDT all have divisions which would be appropriately placed in this new department.
	Please support HB1586. Mahalo for the opportunity to testify.
	Randy Ching (Honolulu)

From: Jeri Di Pietro <noreply@jotform.com>
Sent: Wednesday, February 20, 2019 11:01 PM

To: FINtestimony

Subject: Re: Testimony in Support of HB1586 - Jeri Di Pietro

Testimony in Suppo	ort of HB1586
Name	Jeri Di Pietro
Email	ofstone@aol.com
Subject	Testimony in SUPPORT of HB1586
Testimony	Aloha Chair Luke, members of the committee,
	I support the creation of a Department of Environment and believe it would be a great addition to the state government. With O'ahu voters in 2016 overwhelmingly supporting similar efforts to create the City and County of Honolulu Office of Climate Change, Sustainability and Resiliency, we can see that the public realizes the need to incorporate sustainability into public policy in the face of climate change, especially due to our place as an island society in the Pacific. A department with resources dedicated to the environment will allow for us to do so, helping to preserve the Hawai'i that we all love for generations to come. Please support this measure.

From: Michael deYcaza <noreply@jotform.com>
Sent: Wednesday, February 20, 2019 9:14 PM

To: FINtestimony

Subject: Re: Testimony in Support of HB1586 - Michael deYcaza

Testimony in Support of HB1586		
Name	Michael deYcaza	
Email	mdeycaza@yahoo.com	
Subject	Testimony in SUPPORT of HB1586	
Testimony	Aloha Chair Luke, members of the committee,	
	I support the creation of a Department of Environment and believe it would be a great addition to the state government. With O'ahu voters in 2016 overwhelmingly supporting similar efforts to create the City and County of Honolulu Office of Climate Change, Sustainability and Resiliency, we can see that the public realizes the need to incorporate sustainability into public policy in the face of climate change, especially due to our place as an island society in the Pacific. A department with resources dedicated to the environment will allow for us to do so, helping to preserve the Hawai'i that we all love for generations to come. Please support this measure.	

From: Paula Alcoseba <noreply@jotform.com>
Sent: Wednesday, February 20, 2019 9:02 PM

To: FINtestimony

Subject: Re: Testimony in Support of HB1586 - Paula Alcoseba

Testimony in Suppor	t of HB1586
Name	Paula Alcoseba
Email	paula33@hawaii.edu
Subject	Testimony in SUPPORT of HB1586
Testimony	Aloha Chair Luke, members of the committee,
	I support the creation of a Department of Environment and believe it would be a great addition to the state government. With O'ahu voters in 2016 overwhelmingly supporting similar efforts to create the City and County of Honolulu Office of Climate Change, Sustainability and Resiliency, we can see that the public realizes the need to incorporate sustainability into public policy in the face of climate change, especially due to our place as an island society in the Pacific. A department with resources dedicated to the environment will allow for us to do so, helping to preserve the Hawai'i that we all love for generations to come. Please support this measure.

FIN-Jo

From: Shannon Rudolph <noreply@jotform.com> Thursday, February 21, 2019 8:55 PM Sent: To:

FINtestimony

Subject: Re: Testimony in Support of HB1586 - Shannon Rudolph



Testimony in Support of HB1586		
100 200 200		
Name	Shannon Rudolph	
Email	shannonkona@gmail.com	
Subject	Testimony in SUPPORT of HB1586	
Testimony	Aloha Chair Luke, members of the committee,	
	I support the creation of a Department of Environment and believe it would be a great addition to the state government. With O'ahu voters in 2016 overwhelmingly supporting similar efforts to create the City and County of Honolulu Office of Climate Change, Sustainability and Resiliency, we can see that the public realizes the need to incorporate sustainability into public policy in the face of climate change, especially due to our place as an island society in the Pacific. A department with resources dedicated to the environment will allow for us to do so, helping to preserve the Hawai'i that we all love for generations to come. Please support this measure.	

HB-1586-HD-1

Submitted on: 2/22/2019 7:21:22 AM
Testimony for FIN on 2/22/2019 11:00:00 AM



Submitted By	Organization	Testifier Position	Present at Hearing
Shannon Rudolph	Individual	Support	No

Comments:

Strongly Support.

With the Dept. of Health, DBEDT, and other agencies dropping the ball on important issues, I think a Dept. of Environment is a great idea to help with the workload. (as long as this new dept. isn't filled with people working against our environment)